

State of Michigan,
Department of Treasury

Michigan Municipal Bond Authority

Annual Report
2005

Michigan Municipal Bond Authority

Authority Mission

The Michigan Municipal Bond Authority exists within the Bureau of Bond Finance in the Department of Treasury to provide an alternative source of financing infrastructure projects and low cost access to the public finance market for Michigan local units of government.

The Bureau of Bond Finance will achieve and maintain access to the financial market at the lowest cost of the citizens of Michigan on behalf of:

- Hospitals and their patients
- Higher education students and their families
- Private colleges and their students
- Public school academies and their students
- Public schools and their taxpayers
- Municipalities and their taxpayers
- The State-at-large for environmental, recreational, and other specific-voter approved projects
- The State for cash flow financing for operating purposes.

Vision

- We are committed to fair, consistent, and courteous customer service.
- We have the training, technology, and tools to meet customer needs.
- We provide low-cost financing in order for cities and communities to be magnets for economic opportunities, with high quality education and healthcare.
- We are a division where public service and service to others is exalted.

Values

- Integrity: Michigan's schools, colleges, universities, municipalities, and healthcare providers; along with bond counsel, financial advisors, and underwriters know that they can depend upon Authority Finance Division to follow through on their commitments.
- Excellence: The Authority Finance Division is committed to providing increasingly effective, low-cost financing to protect the interests of the citizens of Michigan.
- Teamwork: The members of the Authority Finance Division will work together to provide effective, low-cost financing to Michigan's schools, colleges, universities, municipalities, and healthcare providers.
- Pride: In our achievements.

Michigan Municipal Bond Authority Board Members

The Michigan Municipal Bond Authority (MMBA) board of trustees is comprised of seven members, consisting of the State Treasurer as chairperson and six appointees of the Governor with the advice and consent of the State Senate. Two of the appointees serve at the pleasure of the Governor and must be public officials or employees with expertise in the State's infrastructure needs. The remaining four appointees are public members, residents of the State of Michigan. One of the public member appointee(s) must be nominated by the Speaker of the State House of Representatives and one public member appointee(s) must be nominated by the Majority Leader of the State Senate. All members of the Authority are appointed for a three-year term and serve without compensation but are entitled to reimbursement of expenses incurred in the performance of their duties under the Act. The present membership of the Authority is as follows:

Jay B. Rising, Chairperson, State Treasurer

Don Gilmer

Gary Hawks

Susan Kaltenbach

Richard LeBaron

Elaine M. Madigan

Nancy L. Quarles

Michigan Municipal Bond Authority

- The Michigan Municipal Bond Authority (the “Authority”) was established by the Shared Credit Rating Act, P. A. 227 of 1985 to provide Michigan local units of government and schools an alternative source of financing for infrastructure projects and low cost access to the public finance market. The Governor with the advice and consent of the Michigan Senate appoints a Board of Trustees; the State Treasurer is the chairperson of the Board. The Board of Trustees provides overall governing direction for the Authority. All cities, counties, townships, schools, public hospitals, colleges, and universities are eligible to use the Authority on a voluntary basis.
- The basis of the Authority’s programs is the pooling of local obligations. At specified times the Authority negotiates the sale of securities with a common layer of security in the national and regional bond markets, and uses the proceeds to purchase bonds, notes, and installment purchase agreements from municipalities.
- By pooling issues, the Authority provides eligible borrowers with several advantages. The Authority allows many local governments in Michigan to take advantage of the Authority’s financial expertise to access the capital markets. The Authority consistently offers interest rates that compare favorably with Michigan and national pricing indices. Also, the Authority’s reputation and name recognition in the capital markets creates demand for the Authority’s securities, translating to lower interest rates for borrowers. Additionally, borrowers on a pro-rata basis share costs of issuance, typically resulting in lower costs than each borrower would pay individually. As the Authority can lower the interest rate and the issuing costs for Michigan governments, the result is fewer tax dollars expended for debt by Michigan taxpayers. As borrowers make their payments, the Authority repays its bondholders. Careful monitoring of local repayments by the Authority has prevented any payment defaults by the local borrowers.
- The Authority issued a total par loan amount of \$1.32 billion in the calendar year 2005. The outstanding balance of the Authority’s bonds and notes at the end of the calendar year 2005 was approximately \$3.8 billion. A summary of each of the Authority’s programs and the relating loans to local units of government is contained in the following sections of this report.

*2005 State Revolving Fund, Drinking Water Revolving Fund, and the
Strategic Water Quality Initiatives Fund Programs ►*

State Revolving Fund (SRF), Drinking Water Revolving Fund (DWRf), and the Strategic Water Quality Initiatives Fund (SWQIF) Programs

The Authority and the Michigan Department of Environmental Quality (DEQ) jointly administer these programs. The DEQ determines the qualified projects and the annual funding priority. Federal capitalization grants and state match funds are used to fund reserves as security for the State Revolving Fund and Drinking Water Revolving Fund bonds. Monies received from bond proceeds are used to provide loans to local units of government. Local units of government receive reimbursement for approved projects costs up the total amount of their loans.

While there are many similarities between the SRF and DWRf, there are some notable differences. The SRF is permitted to fund only municipalities, while the DWRf may include privately owned community water suppliers and not-for-profit non-community water supplies. The loan repayment in the SRF is limited to 20 years, while the DWRf can extend up to 30 years for communities that qualify as 'disadvantaged'.

State Revolving Fund

Michigan's Water Pollution Control Revolving Fund, better known as the State Revolving Fund, provides borrowers with a low 1.625% fixed interest rate. The SRF loan program assists qualified local municipalities with the construction of needed water pollution control facilities. Michigan enacted 1988 PA 317, The Clean Water Assistance Act, to establish the SRF which is now codified as Part 53, 1994 PA 451, of the Natural Resources and Environmental Protection Act.

From 1989 through 1992, the SRF was operated as a direct loan program whereby federal funds were used to fund loans directly with the municipality. In 1992 the Authority began issuing bonds using a 'leveraged' approach. By leveraging the federal capitalization funds the Authority is able to not only provide additional program funds, but also provide for a significant interest rate subsidy to its borrowers.

In calendar year 2005, loan commitments were made for 17 SRF projects totaling over \$184 million and through 2005, the SRF program has provided low interest loans for 254 projects totaling nearly \$2.27 billion.

Drinking Water Revolving Fund

Michigan's Drinking Water Revolving Fund (DWRF) program is designed to assist water suppliers in satisfying the requirements of the Safe Drinking Water Act by offering low interest rate loans of 2.125% to eligible water suppliers.

On June 17, 1997, legislation establishing the Michigan DWRF (Part 54 of PA 451, 1994) was enacted. The Department of Environmental Quality and the Authority began the DWRF loan program which is structured in the same manner as the SRF.

In calendar year 2005, loan commitments were made for 15 DWRF projects totaling over \$50 million and through 2005, the DWRF program has provided low interest loans for 126 projects totaling over \$65.3 million.

Strategic Water Quality Initiatives Fund

The Strategic Water Quality Initiatives Fund (SWQIF) is a low 1.625% interest revolving loan program that allows qualified municipalities to access financing for the construction of needed water pollution control facilities that cannot qualify for SRF assistance. Two types of projects can be financed under the SWQIF, the on site upgrade-replacement of septic systems and the removal of ground water or storm water from sewer leads.

This fund was created by the passage of Proposal 2 by Michigan voters in November of 2002. The implementation of the fund is codified as Part 52, 1994 PA 451, of the Natural Resources and Environmental Protection Act.

The program is managed by the Authority and the Department of Environmental Quality. The SWQIF program has provided low interest rate loans for 3 projects totaling over \$2.2 million.

2005 State Revolving, and Drinking Water Fund Program Summary

Region	Unit Name	Purpose	Loan Commitment
State Revolving Fund Program			
North			
	Village of Baraga	System Improvements	\$2,890,000
	Village of Suttons Bay	Proposed WWTP Upgrade, Improvements	\$2,200,000
Southeast			
	Charter County of Wayne	Plant Primary Tank Improvements	\$4,680,000
	City of Dearborn	CSO Control Program	\$72,895,000
	City of Port Huron	Sewer Separation - Phase I	\$2,535,000
	City of Saginaw	Wastewater Upgrade	\$3,415,000
	City of Warren	WWTP Solids Handling Improvements	\$8,200,000
	County of Genesee	North East Extension Sewer	\$22,180,000
	County of Genesee	North East Extension Sewer	\$15,505,000
	George W. Kuhn Drainage District	George W. Kuhn Drainage District	\$1,620,000
	Malletts Creek Drainage District	Malletts Creek Wetland Detention	\$2,250,000
Southcentral			
	City of Adrian	Phase II Project Plan 2004	\$2,040,000
	City of Adrian	Wastewater Treatment Plant Improvements	\$7,090,000
	City of Lansing	CSO	\$14,595,000
	Village of Clinton	Water System Improvements	\$4,000,000
Southwest			
	County of Muskegon	MCWMS - Phase I Collection System	\$17,500,000
	County of Newaygo	WWTP/Collection System Improvements	\$490,000
<i>Clean Water Total</i>			\$184,085,000
Drinking Water Revolving Fund			
North			
	Charter Township of Marquette	Water System Improvements	\$4,520,000
Southeast			
	City of Bay City	Water Treatment Plant Improvements	\$6,000,000
	City of Detroit	Lake Huron Clearwell No. 2 Rehabilitation	\$15,265,000
	City of Detroit	Water Main Replacement	\$10,710,000
	City of Marine City	Water Treatment Plant Improvements	\$2,500,000
	City of Port Huron	Water Main Replacement	\$520,000
	City of Port Huron	Water Main Replacement	\$2,015,000
	City of Port Huron	Water Main Replacement	\$2,105,000
	City of Port Huron	Water Main Replacement	\$510,000
	County of Sanilac	Arsenic Treatment Project	\$690,000
	Township of Independence	Water Improvement Project	\$625,000
	Village of Caro	Caro Water Treatment Facility	\$1,780,000
Southcentral			
	City of Carson City	Water System Improvements	\$1,600,000
	County of Shiawassee	Water System Improvements	\$850,000
Southwest			
	County of Kalamazoo	Water Distribution System Improvements	\$750,000
<i>Drinking Water Total</i>			\$50,440,000
Grand Total			\$234,525,000

**History of Participants
For the
State Revolving Fund, State Drinking Water Fund, State Water Qualified Initiative Fund
Programs, by Region**

NORTH:

**21 Borrowers, \$62 million
loans outstanding**

Baraga Village
Beulah Village
Boyne City City
Charlevoix County
East Jordan City
*Escanaba City
Filer Township
Frankfort City
Grand Traverse City
Harbor Springs City
Iosco County
Ironwood City
Lake Linden Village
Manistee City
Marquette City
Marquette Township
Menominee City
*Ontonagon Village
Roscommon County
Sault Ste Marie City
Suttons Bay Village

SOUTHWEST

**25 Borrowers, \$103 million
loans outstanding**

Belding City
Calhoun County
Cass County
Centreville Village
Colon Village
Coopersville City
Grand Beach Village
Grand Rapids City
Hudsonville City
Kent City Village
Marshall City
Muir Village
Muskegon City
Nashville Village
*Ottawa CORD
Plainfield Township
Plainwell City
Rockford City
Shelby Village
Sparta Village
St. Joseph City
Sturgis City
Three Oaks Village
*Van Buren County
White Cloud City

SOUTHCENTRAL

**26 Borrowers, \$199 million
loans outstanding**

*Adrian City
Blissfield Village
Breckenridge Village
Carson City
Clinton County
Clinton Village
Deerfield Village
East Lansing City
Eaton Rapids City
Grand Ledge City
Hillsdale County
Hudson City
Ionia County
Jackson County
Lansing City
Lansing Township
Lenawee County
Leoni Township
Marion Village
Midland City
Portland City
Shiawassee County
Sunfield Village
Springport City
Stockbridge City
Summit Township

SOUTHEAST

**75 Borrowers, \$1.5 billion
loans outstanding**

*Ann Arbor City
Armada Village
Bay City
Bay County
Beverly Hills Village
Brighton City
Canton Township
Caro Village
Chelsea Village
Chesterfield Township
Clinton Township
Frankenmuth City
Dearborn City
Detroit City
Farmington City
Fenton City
Flint City
Flushing City
Davison City
Garden City
Genesee County
Genoa Oceola Drainage
Genoa Township

Grosse Ile Township
Grand Blanc City
Gross Pointe Farms City
Grosse Pointe Park City
Hamburg Township
Hartland Township
Highland Park City
Holly Village
Huron County
Independence Township
Kalamazoo County
Lapeer County
Macomb County
Malletts Creek Drainage
District
*Manchester Village
*Marine City City
Marysville City
Melvindale City
Milford Village
Monitor Township
*Monroe County
*Mount Clemens City
Mount Morris City
Muskegon County
Newaygo County
North Branch Village
Oakland County
Otisville Village
Oxford Village
*Port Huron City
Port Sanilac Village
Redford Township
Riverview City
Royal Oak City
Saginaw City
*Saginaw County
Saline City
Sanilac County
South Huron Valley
South Lyon City
Southfield City
St Clair City
*St Clair County
Trenton City
Warren City
*Washtenaw County
Wayne County
Wayne City
White Lake Township
Wixom City
Ypsilanti City
Ypsilanti CUA

**Participated in Multiple
Programs*

2005 Local Government Loan Program▶

Local Government Loan Program

The Local Government Loan Program (LGLP) provides competitive interest rates for long-term financing for public entities. Loans have included purchases of equipment, school buses, fire trucks, real property, energy conservation improvements, infrastructure needs, and refunding existing debt. The term of the local obligations for loans under this program is between 3-30 years. The Authority issues several types of bonds under the LGLP including: Revenue Sharing, Transportation Fund, School Program Bonds, State Qualified School Bonds, and Insured. These types of bonds require a pledge of state revenue sharing, state transportation funds, state school program bonds, state qualified school bonds, or must be structured to qualify for bond insurance.

The Authority did not issue loans in 2005 under this program.

Local Government Financing Program

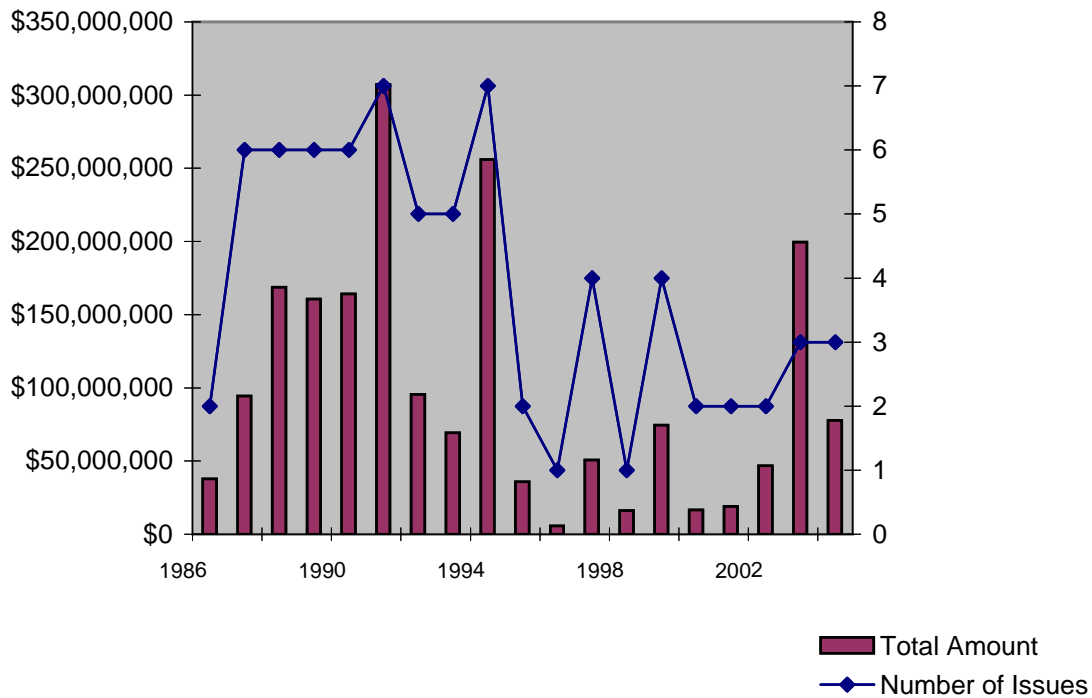
In order to offer more timing options and greater flexibility for some borrowers, the Authority created the Local Government Financing Program (LGFP) under the LGLP, in 2002. Qualified borrowers are able to apply for loans on an as needed basis. The interest rate is based upon an index of U.S. Treasury rates for a specified period and the credit rating of the borrower. The program is a pass through financing for the Authority and as such the Authority does not reflect a liability for these loans in its financial statement.

There were 3 loans that closed in 2005 under the LGFP totaling \$2,235,441.

Borrowers	Loan Amount
Kalamazoo Public Schools	\$ 595,441
School District of the City of Inkster	\$ 475,000
School District of the City of Inkster	\$ 1,165,000

History of the Local Government Loan Program

Year of Financing	Number of Issues	Number of Loans	Total Amount	Cumulative Total
1986	2	38	\$37,749,000	\$37,749,000
1987	6	73	\$94,440,000	\$132,189,000
1988	6	41	\$168,715,000	\$300,904,000
1989	6	74	\$160,590,000	\$461,494,000
1990	6	789	\$164,229,180	\$625,723,180
1991	7	79	\$307,348,830	\$933,072,010
1992	5	26	\$95,550,000	\$1,028,622,010
1993	5	51	\$69,359,000	\$1,097,981,010
1994	7	43	\$256,039,737	\$1,354,020,747
1995	2	9	\$35,900,000	\$1,389,920,747
1996	1	2	\$5,755,000	\$1,395,675,747
1997	4	52	\$50,715,000	\$1,446,390,747
1998	1	24	\$16,100,000	\$1,462,490,747
1999	4	53	\$74,455,000	\$1,536,945,747
2000	2	17	\$16,720,000	\$1,553,665,747
2001	2	10	\$19,120,000	\$1,572,785,747
2002	2	17	\$46,850,000	\$1,619,635,747
2003	3	14	\$199,653,000	\$1,819,288,747
2004	3	37	\$77,850,000	\$1,897,138,747
2005	0	0	\$0	\$1,897,138,474
Total	74	1,449	\$1,897,138,747	



2005 Revenue Note Program ►

Revenue Note Program

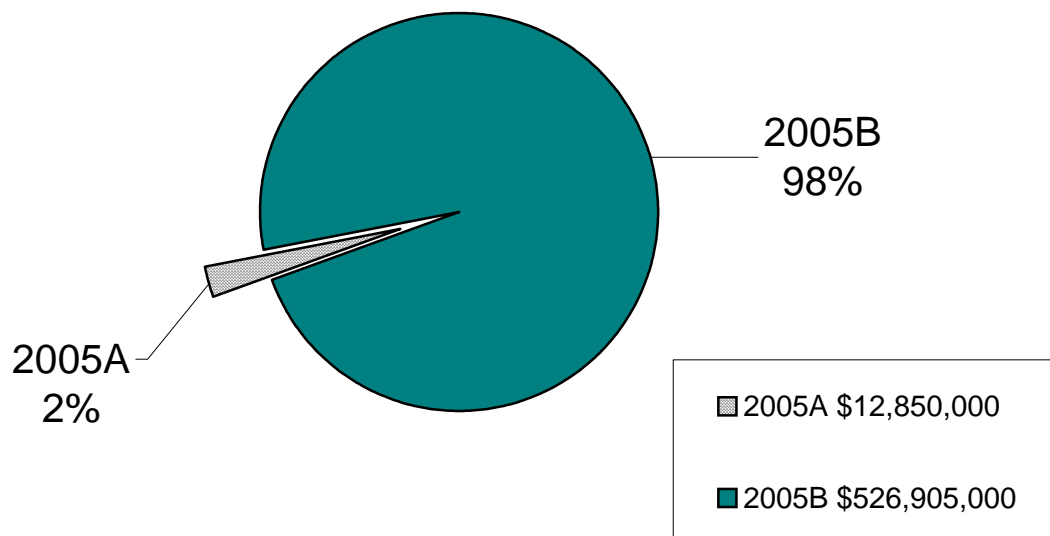
This pooled program offers a simplified borrowing process for school districts to fund short-term cash flow needs for operating purposes. The program structure allows schools to pool their loans with those of other schools, resulting in competitive interest rates and reduced costs of issuance. The Authority's Revenue Note program began in 1987. The program has increased dramatically from 96 loans in 1987 to 234 loans in 2005.

There were 2 financings with a total par loan amount of over \$539 million for the calendar year 2005. A bridge note was offered that closed in May, this note series served schools needing to borrow for cash flow until the August note financings. The August note financing allowed school districts the option of either setting aside five or seven monthly payments prior to the note maturing or repaying the entire note amount at maturity.

If the school elects the set-aside option, and complies with program requirements, each borrower receives interest earnings on their five or seven monthly loan set-aside payments from a competitively bid investment contract, thereby lowering the overall cost of borrowing. For the no set aside borrower pool, an investment grade letter of credit was obtained to provide additional security. These structures resulted in the school districts receiving the highest possible short-term credit rating of SP-1+ on their note issues.

Primary loan security is a pledge of state aid with a state aid intercept and advance in case of default. A limited-tax general obligation provides secondary security.

2005 Revenue Note Loans Issued



2005 Revenue Note Program Summary

Region	School Name	Loan Amount
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North

1	Adams Township School District	\$475,000
2	Baldwin Community Schools	\$1,000,000
3	Bear Lake Schools	\$435,000
4	Benzie County Central Schools	\$1,700,000
5	Bessemer Area School District	\$400,000
6	Boyne Falls Public Schools	\$600,000
7	Breitung Township Schools	\$2,000,000
8	Buckley Community Schools	\$800,000
9	Clare Public Schools	\$1,700,000
10	Dollar Bay-Tamarack City Area Schools	\$514,000
11	Ellsworth Community Schools	\$300,000
12	Escanaba Area Public Schools	\$1,900,000
13	Ewen-Trout Creek School	\$500,000
14	Forest Area Community Schools	\$950,000
15	Free Soil Community Schools	\$160,000
16	Gaylord Community Schools	\$1,000,000
17	Gladstone Area Schools	\$1,500,000
18	Gladwin Community Schools	\$2,300,000
19	Hancock Public Schools	\$1,200,000
20	Harrison Community Schools	\$870,000
21	Houghton-Portage Township School	\$1,200,000
22	Inland Lakes Schools	\$1,718,000
23	Ironwood Area Schools	\$2,100,000
24	Ishpeming School District	\$1,800,000
25	Kaleva Norman Dickinson School District	\$1,500,000
26	Ludington Area School District	\$1,300,000
27	Manistee Area Public Schools	\$3,500,000
28	Marion Public Schools	\$500,000
29	Mason County Eastern District	\$950,000
30	Negaunee Public Schools	\$1,300,000
31	Nice Community Schools	\$2,000,000
32	Oscoda Area Schools	\$2,700,000
33	Pellston Public Schools	\$1,500,000
34	Posen Consolidated School District	\$500,000
35	Reed City Area Public Schools	\$1,340,000
36	Rudyard Area Schools	\$1,300,000
37	St. Ignace Area Schools	\$800,000
38	Stephenson Area Public Schools	\$455,000
39	Superior Central Schools District	\$910,000
40	Tahquamenon Area Schools	\$1,444,000
41	West Branch-Rose City Area Schools	<u>\$1,400,000</u>
		\$50,521,000

Southcentral

1	Addison Community Schools	\$945,000
2	Adrian School District	\$4,250,000
3	Alma Public Schools	\$1,500,000
4	Bath Community Schools	\$1,775,000
5	Big Rapids Public Schools	\$2,800,000
6	Breckenridge Community Schools	\$1,200,000
7	Britton-Macon Area School	\$700,000
8	Byron Area Schools	\$1,360,000

9 Camden-Frontier Schools	\$1,075,000
10 Carson City-Crystal Area Schools	\$2,100,000
11 Central Montcalm Public Schools	\$2,000,000
12 Charlotte Public Schools	\$2,000,000
13 Clinton Community Schools	\$346,000
14 Corunna Public Schools	\$2,000,000
15 Dansville Schools	\$1,000,000
16 Deerfield Public Schools	\$500,000
17 DeWitt Public Schools	\$1,300,000
18 Durand Area Schools	\$2,850,000
19 East Jackson Community Schools	\$1,700,000
20 Eaton Rapids Public Schools	\$2,800,000
21 Fowler Public School District	\$340,000
22 Grand Ledge Public Schools	\$3,900,000
23 Greenville Public Schools	\$3,800,000
24 Haslett Public School	\$900,000
25 Hillsdale Community Schools	\$2,400,000
26 Holt Public Schools	\$1,500,000
27 Jonesville Community Schools	\$1,335,000
28 Laingsburg Community School	\$1,450,000
29 Leslie Public Schools	\$1,500,000
30 Litchfield Community Schools	\$984,000
31 Montabella Community Schools	\$1,255,000
32 Montcalm Area ISD	\$140,000
33 Morenci Area Schools	\$700,000
34 Morley Stanwood Community Schools	\$1,300,000
35 Morrice Area Schools	\$1,050,000
36 Mt. Pleasant Public Schools	\$2,000,000
37 Napoleon Community Schools	\$1,565,000
38 North Adams-Jerome Public Schools	\$475,000
39 Northwest School District	\$1,700,000
40 Okemos Public Schools	\$2,700,000
41 Owosso Public Schools	\$4,500,000
42 Perry Public Schools	\$3,000,000
43 Pewamo-Westphalia Community Schools	\$1,180,000
44 Pittsford Area Schools	\$600,000
45 Potterville Public Schools	\$360,000
46 Sand Creek Community Schools	\$1,100,000
47 Shepherd Public Schools	\$2,100,000
48 Springport Public Schools	\$2,200,000
49 St. Johns Public Schools	\$3,000,000
50 Stockbridge Community Schools	\$2,000,000
51 Tecumseh Public Schools	\$1,600,000
52 Waldron Area Schools	\$400,000
53 Webberville Community Schools	\$800,000
54 Western School District	\$1,000,000
55 Williamston Community Schools	<u>\$2,000,000</u>
	\$91,035,000

Southeast

1 Allen Park Public Schools	\$3,100,000
2 Armada Area Schools	\$2,400,000
3 Bay City Public Schools	\$7,500,000
4 Bedford Public Schools	\$3,000,000
5 Beecher Community School District	\$7,250,000
6 Birch Run Area Schools	\$400,000
7 Birch Run Area Schools	\$2,500,000
8 Brandon School District	\$3,950,000
9 Brighton Area Schools	\$6,500,000

10 Buena Vista School District	\$1,600,000
11 Capac Community Schools	\$425,000
12 Caro Community Schools	\$1,800,000
13 Carrollton Public Schools	\$1,700,000
14 Chesaning Union Schools	\$600,000
15 Chippewa Valley Schools	\$7,750,000
16 Clawson City School District	\$2,278,000
17 Clintondale Community Schools	\$5,087,000
18 Coleman Community Schools	\$1,500,000
19 Davison Community Schools	\$5,510,000
20 Dexter Community Schools	\$3,000,000
21 Dryden Community Schools	\$771,000
22 East Detroit Public Schools	\$4,500,000
23 Ecorse Public Schools	\$1,175,000
24 Elkton-Pigeon-Bay Port Laker Schools	\$1,100,000
25 Fenton Area Public Schools	\$2,240,000
26 Ferndale Public Schools	\$6,500,000
27 Flat Rock Community Schools	\$2,500,000
28 Flint City School District	\$6,800,000
29 Fowlerville Community Schools	\$3,200,000
30 Fraser Public School District	\$3,000,000
31 Garden City Public Schools	\$11,000,000
32 Gibraltar School District	\$3,000,000
33 Goodrich Area Schools	\$3,412,000
34 Grosse Ile Township Schools	\$1,400,000
35 Hazel Park Community Schools	\$6,000,000
36 Hemlock Public School District	\$2,200,000
37 Highland Park City Schools	\$3,420,000
38 Howell Public Schools	\$6,000,000
39 Huron School District	\$1,400,000
40 Imlay City Community Schools	\$1,000,000
41 Inkster Public Schools	\$3,340,000
42 Kearsley Community Schools	\$2,800,000
43 Lakeview Public Schools	\$2,250,000
44 Lapeer Community Schools	\$4,000,000
45 Lincoln Park City School District	\$4,000,000
46 Linden Community Schools	\$1,500,000
47 Manchester Community Schools	\$1,337,000
48 Marlette Community Schools	\$650,000
49 Mason Consolidated Schools	\$2,391,000
50 Memphis Community Schools	\$1,260,000
51 Merrill Community School District	\$1,000,000
52 Milan Area Schools	\$3,500,000
53 Monroe Public Schools	\$7,200,000
54 New Haven Community Schools	\$900,000
55 North Huron Schools	\$660,000
56 Northville Public Schools	\$7,000,000
57 Owendale-Gagetown Area Schools	\$259,000
58 Pinckney Community Schools	\$3,800,000
59 Redford Union Schools	\$9,500,000
60 Reese Public Schools	\$1,427,000
61 Richmond Community Schools	\$1,500,000
62 River Rouge City School	\$2,700,000
63 Romeo Community Schools	\$2,000,000
64 Romulus School District	\$1,400,000
65 Saginaw City School District	\$18,264,000
66 Sandusky Community Schools	\$1,500,000
67 Southgate Community School District	\$1,050,000

68 Southgate Community School District	\$7,000,000
69 St. Charles Community Schools	\$600,000
70 St. Charles Community Schools	\$200,000
71 Swan Valley School District	\$1,355,000
72 Taylor School District	\$15,000,000
73 Trenton Public Schools	\$2,300,000
74 Unionville-Sebewaing Area Schools	\$900,000
75 Van Buren Public Schools	\$3,300,000
76 Westwood Community School District	\$1,680,000
77 Westwood Heights Schools	\$1,825,000
78 Whiteford Agricultural Schools	\$700,000
79 Whitmore Lake Public Schools	\$1,200,000
80 Willow Run Community Schools	\$1,800,000
81 Woodhaven-Brownstown School District	\$3,500,000
82 Wyandotte City School District	<u>\$5,200,000</u>
	\$272,216,000

Southwest

1 Allegan Public Schools	\$1,823,000
2 Allendale Public School	\$2,250,000
3 Bangor Public Schools	\$800,000
4 Benton Harbor Area Schools	\$4,500,000
5 Berrien Springs Public Schools	\$1,840,000
6 Cassopolis Public Schools	\$2,500,000
7 Climax-Scotts Community Schools	\$800,000
8 Colon Community Schools	\$400,000
9 Comstock Public Schools	\$1,200,000
10 Coopersville Area Public Schools	\$800,000
11 Delton Kellogg Schools	\$1,600,000
12 East Grand Rapids Public Schools	\$2,600,000
13 Eau Claire Public Schools	\$900,000
14 Fennville Public Schools	\$2,000,000
15 Forest Hills Public Schools	\$7,250,000
16 Galesburg-Augusta Community Schools	\$600,000
17 Gobles Public Schools	\$1,300,000
18 Hartford Public Schools	\$1,000,000
19 Holland City School District	\$1,000,000
20 Holton Public Schools	\$1,300,000
21 Homer Community School District	\$1,000,000
22 Hopkins Public Schools	\$720,000
23 Ionia Public Schools	\$2,000,000
24 Kalamazoo Public Schools	\$15,400,000
25 Kent City Community Schools	\$963,000
26 Lakewood Public Schools	\$2,200,000
27 Lawton Community Schools	\$944,000
28 Lowell Area Schools	\$2,300,000
29 Marcellus Community Schools	\$1,000,000
30 Marshall Public Schools	\$3,000,000
31 Martin Public Schools	\$625,000
32 Muskegon City Public Schools	\$6,900,000
33 Muskegon Public Schools	\$10,750,000
34 Niles Community Schools	\$4,500,000
35 North Muskegon Public Schools	\$1,845,000
36 Northview Public Schools	\$4,000,000
37 Oakridge Public Schools	\$1,723,000
38 Orchard View Schools	\$3,000,000
39 Palo Community Schools	\$120,000
40 Parchment School District	\$1,700,000
41 Plainwell Community Schools	\$1,700,000

42	Portland Public Schools	\$2,110,000
43	Quincy Community Schools	\$1,500,000
44	Ravenna Public Schools	\$920,000
45	Reeths-Puffer Schools	\$4,750,000
46	Rockford Public Schools	\$2,840,000
47	Saranac Community Schools	\$800,000
48	Schoolcraft Community Schools	\$700,000
49	Tekonsha Community Schools	\$300,000
50	Thornapple Kellogg Schools	\$1,500,000
51	Union City Community Schools	\$1,600,000
52	Walkerville Public Schools	\$410,000
53	White Cloud Public Schools	\$775,000
54	White Pigeon Community Schools	\$1,500,000
55	Whitehall District Schools	\$1,600,000
56	Zeeland Public Schools	<u>\$1,825,000</u>
		\$125,983,000

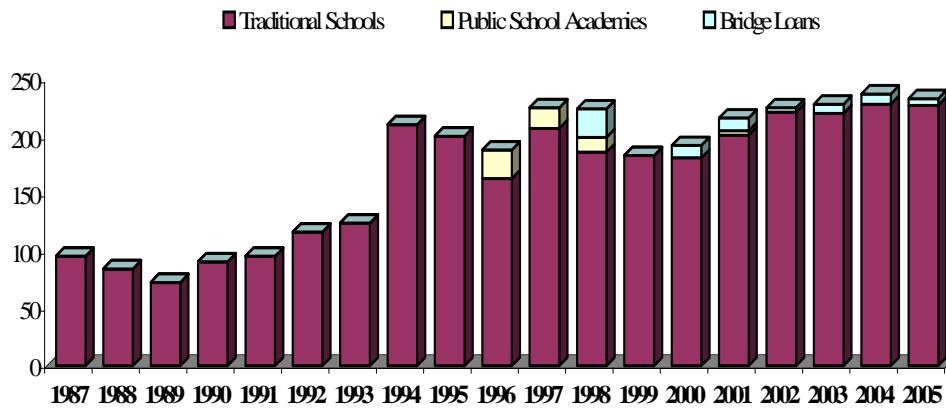
234

Grand Total

\$539,755,000

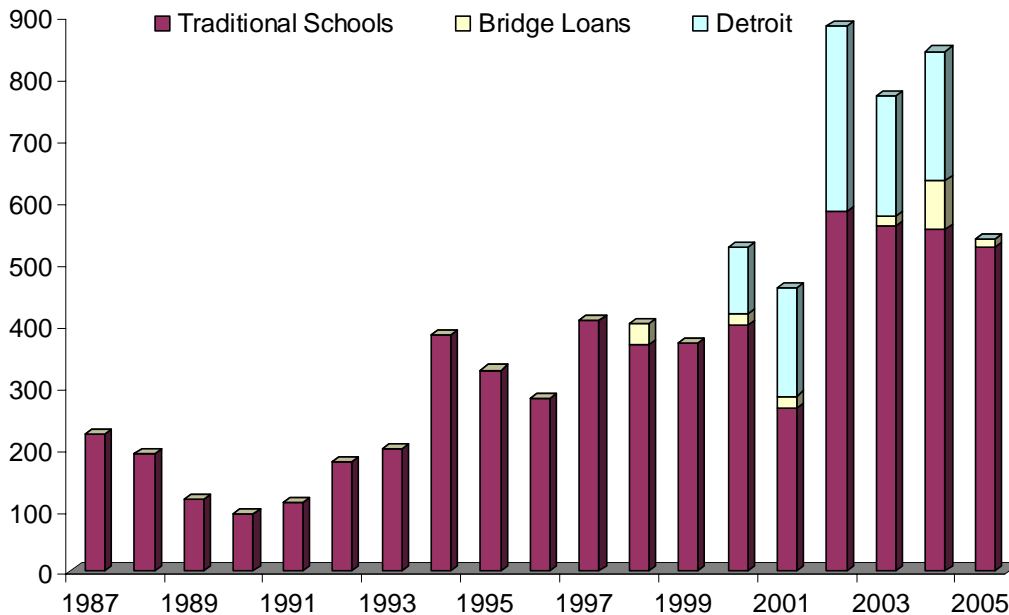
Revenue Note Program History

Number of Loans



<u>Year</u>	<u># of Loans</u>
1987	96
1988	85
1989	73
1990	91
1991	96
1992	117
1993	125
1994	211
1995	201
1996	189
1997	226
1998	225
1999	184
2000	193
2001	217
2002	226
2003	229
2004	238
2005	234
Total:	2,112

Loan Amounts (in millions)



<u>Year</u>	<u>Par (In Millions)</u>
1987	\$222
1988	190
1989	116
1990	93
1991	111
1992	178
1993	198
1994	382
1995	326
1996	285
1997	412
1998	406
1999	370
2000	416
2001	636
2002	884
2003	742
2004	843
2005	539
Total:	\$3,705

Note: Public School Academy (PSA) notes were issued by the Michigan Municipal Bond Authority in 1996, 1997, and 2001. Each of these PSA series was \$5 million or less.

New Programs for 2005►

Detroit Public Schools Financing

MMBA Series A, Revenue Bonds were issued for cash flow purposes in the amount of \$159,490,000 on March 16, 2005 with maturity of March 21, 2006. Detroit Public Schools (DPS) will set aside payments in January through March 2006 for payment of these notes.

MMBA issued Series B, Revenue Bonds for \$216,090,000 on April 28, 2005. These bonds have a final maturity of June 1, 2020. DPS had a structural deficit and was not able to pay their obligations. The Series B bonds were part of a multi-year agreement approved by the State Treasurer as permitted in the Revised School Code.

MMBA Series C, Revenue Bonds were issued August 19, 2005 for \$144,470,000 which will mature August 18, 2006. These notes were issued for cash flow purposes. DPS will set aside payments June through August 2006 for payment on these notes.

School Loan Revolving Fund

The most recent amendment to the MMBA act required the Authority to establish the School Loan Revolving Fund. This fund will be used to fund qualified loans to school districts as approved by the state and other purposes as specified in the Act including paying the costs of the Authority to administer the fund. This amendment authorized the Authority to purchase or accept by assignment from the State municipal obligations that are loan repayment obligations from a school district on a qualified loan made by the State pursuant to the School Loan Act. During 2005, the school loan revolving fund received \$30 million contribution from the State in addition to an assignment of loan repayments obligations totaling \$42.3 million on loans previously made from the school bond loan fund. In exchange for the assignment of loan repayments, the Authority allocated \$41.1 million in the current fiscal year from the School Loan Revolving Fund to the State of Michigan, School Aid Fund. In October, \$18.6 million was disbursed to 52 qualified schools to fund loan requirements.

MMBA anticipates issuing bonds in 2006 to fund loans. In conjunction with this financing the state will make further assignment of loans.

2005
Summary of All Program Loans
by Region

		<u>Loans</u>	<u>Amount</u>
North	Cash Flow	41	\$50,521,000
	Water/Sewer	3	\$9,610,000
	North Total	44	\$60,131,000
Southcentral	Cash Flow	55	\$91,035,000
	Water/Sewer	6	\$30,175,000
	Southcentral Total:	61	\$121,210,000
Southeast	Cash Flow	82	\$272,216,000
	Water/Sewer	12	\$175,970,000
	Finance	2	\$1,640,000
	Detroit Public School Financing	3	\$520,050,000
	Southeast Total:	102	\$969,876,000
Southwest	Cash Flow	56	\$125,983,000
	Water/Sewer	3	\$18,740,000
	Financing	1	\$595,441
	Southwest Total:	61	\$145,318,441
GRAND TOTAL:		268	\$1,296,535,441

Michigan Municipal Bond Authority

Annual Loan History

